

National Black Chamber of Commerce
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December 12, 2006

EX PARTE

Chairman Kevin Martin
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

MB DOCKET NO. 05-311

Re: Implementation of Section 621 (a)(1) of the Cable
Communications Policy Act of 1984 as Amended by the Cable
Television Consumer Protection and Competition Act of 1992

Dear Chairman Martin:

The National Black Chamber of Commerce is a business association representing 95,000 Black owned businesses and provides an advocacy that reaches one million Black owned businesses. We have 190 affiliated chapters domestically and globally, and are nonprofit, nonpartisan and nonsectarian dedicated to the economic empowerment of African American communities.

We write on behalf of the millions of American consumers who have seen their cable bills skyrocket over the past decade and, therefore, demand and deserve a greater choice in video service providers. We strongly urge the Commission to hasten competitive entry into the video market by streamlining the local franchising process, which has proven to be a significant barrier to video competition. The Commission should act now to adopt meaningful rules in this proceeding that will encourage video competition and broadband deployment.

The promise of widespread video competition is now stronger than ever. New entrants into the video market – including the traditional telephone companies – are investing billions of dollars to build state-of-the-art fiber networks that can deliver hundreds of channels of programming, enhanced interactivity, and blazing fast broadband speeds. We urge the Commission to adopt rules to address the obstacles posed by the current video franchising process so that these competitive and innovative services may be made available to as many Americans as quickly as possible. There is simply no justification for allowing local authorities to frustrate the pro-competitive policy of Section 621 (a) of the Cable Act by unlawfully delaying or, in some instances, even foreclosing, video competition.

The Commission recently found that from 1995 to 2005 cable rates have risen 93 percent. At the same time, the Commission has also found that since 1996, the prices of every other communications service have declined while cable rates have risen year after year. These figures come as no surprise given the lack of wireline competition in the video distribution market. While satellite providers have been steadily gaining customers, FCC data indicates that only the competition from a second wireline cable operator exerts a downward pressure on prices. Unfortunately, less than two percent of communities have the benefits of such competition.

New entry into the video market can be expected to deliver tremendous benefits to consumers. Not only should increased competition bring lower cable prices, but it will also generate greater programming diversity and more service options. In addition, by removing barriers to entry into the video market, the Commission will achieve its goal of promoting greater broadband deployment. As the Commission has recognized, the revenues realized from video offerings will help fund the roll-out of the next-generation broadband networks over which those services will be delivered.

Consumers need the benefits of video competition for which they have been waiting for over a decade, including relief from ever-

rising cable bills and improved service offerings. They also need increased access to state-of-the-art broadband networks that will allow them to function more effectively in the workforce and participate more fully in our society. As the record in this proceeding documents, several aspects of the local franchising process pose an obstacle to these goals and run afoul of the Cable Act. We urge you to act now to address the problems with the current local franchising process in order to speed new entry into the video distribution market and spur on increased broadband deployment.

Sincerely,

Harry C. Alford
HARRY C. ALFORD
President/CEO